

MINUTES OF THE SPECIAL TELECONFERENCE MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

February 26, 2003

The Commissioners of the Chicago Housing Authority held a Special Teleconference Meeting at the Corporate Office located at 626 West Jackson, 6th Floor Conference Room on Wednesday, February 26, 2003 at 10:00 a.m.

At this time, Adam Schwartz, representative of the American Civil Liberties Union (ACLU) addressed the Board. According to Mr. Schwartz, while the ACLU is mindful that CHA has a duty to provide safe, stable crime free environment for public housing tenants, it is the ACLU's belief that suspicion-less drug testing is not the appropriate or legitimate form for achieving that goal and requested that the CHA remove the proposed provision in the Lake Park Crescent proposed lease.

The meeting was then called to order by the Chairperson, and upon roll call, those present and absent were as follows:

Present:	Sharon Gist Gilliam Hallie Amey Leticia Peralta Davis Earnest Gates Dr. Mildred Harris Michael Ivers Sandra Young
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Absent:	Mamie Bone Lorie Healey
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Also present were Montel Gayles, Chief of Staff; Gail Niemann, General Counsel; and other Chicago Housing Authority Staff Members.

There being a quorum present the meeting duly convened and business was transacted as follows:

The Chairperson announced that the Special Teleconference Meeting was called for the sole purpose of approving the MTW Annual Report, approval of a Form of Lease for Lake Park Crescent, approval to purchase four new units in the One South Levitt Housing Development, and recommendation to ratify the obligation and approve the expenditure of Contract Modification funds for the Senior Rehabilitation Program.

THE CERTIFICATE AS TO SERVICE OF NOTICE OF SPECIAL TELECONFERENCE MEETING and the WAIVER OF NOTICE AND CONSENT TO SPECIAL TELECONFERENCE MEETING, as signed by the Commissioners of said Authority, were read and ordered spread upon the minutes of this Special Teleconference meeting and filed for record.

NOTICE OF SPECIAL TELECONFERENCE MEETING

TO: Board of Commissioners

YOU ARE HEREBY NOTIFIED that the Commissioners of the Chicago Housing Authority are called to meet in a Special Session, by telephone, on Wednesday, February 26, 2003 at 10:00 a.m. to approve the MTW Annual Report, approval of a Form of Lease for Lake Park Crescent, approval to purchase four new units in the One South Levitt Housing Development and recommendation to ratify the obligation and approve the expenditure of Contract Modification funds for the Senior Rehabilitation Program.

CHICAGO HOUSING AUTHORITY

By: /s/ Sharon Gist Gilliam
Chairperson, Board of Commissioners

DATED: February 20 , 2003

**CERTIFICATE AS TO SERVICE OF NOTICE
OF SPECIAL TELECONFERENCE MEETING**

I, SHARON GIST GILLIAM, the duly appointed, qualified and acting as Chairperson of the Chicago Housing Authority, do hereby certify that on February 20, 2003, I served, in the manner provided in the By-laws of said Authority, upon each of the Commissioners of said Authority named in the foregoing NOTICE OF SPECIAL TELECONFERENCE MEETING, a true and correct copy of the said NOTICE OF SPECIAL TELECONFERENCE MEETING.

IN TESTIMONY WHEREOF, I have hereunto set my hand this day of _____ day of April, 2003.

By: /s/ Sharon Gist Gilliam
Chairperson, Board of Commissioners

**WAIVER OF NOTICE OF AND CONSENT TO
SPECIAL TELECONFERENCE MEETING**

We, the undersigned Commissioners of the Chicago Housing Authority, pursuant to Section 3, of Article II of the Bylaws, do hereby accept service of the foregoing NOTICE OF SPECIAL TELECONFERENCE MEETING, waiving any and all irregularities in such service and in said NOTICE OF SPECIAL TELECONFERENCE MEETING and do hereby consent and agree that the said Commissioners of said Chicago Housing Authority shall meet at the time by teleconference in said NOTICE OF SPECIAL TELECONFERENCE MEETING and for the purpose therein stated.

Hallie Amey

Mamie Bone

Leticia Peralta Davis

Earnest Gates

Dr. Mildred Harris

Lorie Healey

Michael Ivers

Sandra Young

(Item No. 1)

In January 2000, the CHA Commissioners approved the Authority's Plan for Transformation. The Plan for Transformation was submitted to and approved by HUD and incorporated into a Moving to Work (MTW) Demonstration Agreement. The Agreement was subsequently amended in January 2001, requiring the CHA to produce and submit an Annual Plan and Annual Report to HUD. HUD requires that this report be submitted annually, along with a Board of Commissioners' resolution approving the report, no later than 60 days after the end of the CHA's fiscal year. The resolution for Item 1 approves submission of the FY2002 MTW Annual Report and follows the format to "provide the information necessary for HUD to assess the CHA's performance, in both regular operations and in activities authorized by the MTW Demonstration Program".

Commissioner Gates moved the adoption of the following resolution.

RESOLUTION NO. 2003-CHA-28

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 21, 2003 requesting approval of the "FY2002 MTW Annual Report", attached hereto;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners approves the attached "FY2002 MTW Annual Report", and grants authorization to the Chief Executive Officer to make such corrections thereto as he deems necessary and to submit the report to the United States Department of Housing and Urban development.

Motion to adopt said resolution was seconded by Commissioner Ivers and the voting was as follows:

Ayes:	Sharon Gist Gilliam Hallie Amey Leticia Peralta Davis Earnest Gates Dr. Mildred Harris Michael Ivers Sandra Young
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Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said motion carried and said resolution adopted.

(Item No. 2)

The resolution for Item 2 approves the form of lease for the Lake Park Crescent Rental Phase I development. The developer has an interest to implement its own lease forms and policy that encourages consistent community standards and the effective management of its mixed income developments. The lease has to accommodate various aspects of the multiple types of tenants and characteristics of a mixed finance transaction. The form of lease for Rental Phase I of the Lake Park Crescent development is required at this time to facilitate the closing of this development transaction. Both documents have been subject to extensive negotiation among the CHA, the Developer and the Central Advisory Committee. Notice for the public comment period was given on January 24, 2003 in accordance with applicable requirements and consideration will be given to comments provided in finalizing the documents with the Developer and the owner entity.

Discussion then ensued with regards to site specific criteria, drug testing, Tenant Selection Plan and material changes to lease. Satisfied with the responses and there being no further questions or comments, Commissioner Gates moved the adoption of the following resolution:

RESOLUTION NO. 2003-CHA-29

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 18, 2003, entitled “Authorization for approval of a Form of Lease for Rental Phase I of the Lake Park Crescent development and to amend the CHA Admissions and Occupancy Policy to incorporate such document as an addendum thereto”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the attached form of lease in substantially the form presented to the Board for the Lake Park Crescent Rental Phase I development and hereby approves an amendment to the Chicago Housing Authority’s Admissions and Occupancy Policy to incorporate the approved form as an addendum. The Chairman of the Board or the Chief Executive Officer is hereby authorized to approve final changes in these forms, including changes based on HUD requirements, or such changes, if any, resulting from any applicable notice and comment process. Such approval shall constitute conclusive evidence of the Board’s approval of any and all such changes.

Motion to adopt said resolution was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Sharon Gist Gilliam Hallie Amey
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Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said motion carried and said resolution adopted.

(Item 3)

The resolution for Item 3 ratifies the obligation and approves the expenditure of contract modification funds for the below listed contractors who have existing contracts with the Authority to provide general renovation and rehabilitation of senior buildings. Change orders/contract modifications associated with the general renovation program were required to address health and safety concerns, critical path tasks, and infrastructure finishes. The change orders/contract modifications were a result of discovered conditions, building code requirements, owner directed changes, and design corrections. The CHA has been able to verify that the amounts invoiced by the contractors are for actual services rendered and/or materials and equipment provided. The failure to ratify the contracts listed above will likely result in protracted litigation with the contractors, who allege they have acted under the authority of the CHA, and that the CHA has been unjustly enriched.

Commissioner Young moved the adoption of the following resolution.

RESOLUTION NO. 2003-CHA-30

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 7, 2003, titled, “Authorization to ratify the obligation and approve the expenditure of contract modification funds for the Senior Rehabilitation Program,”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer of his designee to ratify the obligation and approve the expenditure of contract modification funds for the Senior Rehabilitation Program with the following contractors in a not-to-exceed amount of \$18,227,170.

<u>Contractors:</u>	<u>Contract #</u>
F.H. Paschen/SN Neilson, Inc.	9685,9698,9709
Friedler Construction	9696,9702
G.F Structures Corporation	9703,9674,9673
K.R. Miller Contractors	9684
Michuda Construction, Inc.	9708
Shoenbeck	9697
Walsh Construction Company	9700,9701,9686
Mid-American/ Phoenix	9639
A-1 Roofing Company	9508

Motion to adopt said resolution was seconded by Commissioner Ivers and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey

Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no further questions or discussion, the Chairperson thereupon declared said motion carried and said resolution adopted.

There being no further business to come before the Commissioners, upon proper Motion made, seconded, and carried, the Special Tele-Conference meeting was adjourned.

S/B Sharon Gist Gilliam
Chairperson

S/B Lee Chuc-Gill
Custodian and Keeper of Records